



**Lexington-Fayette Urban County Government  
DEPARTMENT OF ENVIRONMENTAL QUALITY & PUBLIC WORKS**

**The Stormwater Quality Projects Incentive Grant Program  
APPLICATION PACKET FOR CLASS A (NEIGHBORHOOD) PROJECTS  
Division of Water Quality – Document #INC.2015A.1**

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**GRANT FISCAL YEAR: 2015**  
**APPLICATION DEADLINE: FRIDAY, MAY 30, 2014**

The Stormwater Quality Projects Incentive Grant Program has been established to assist property owners, businesses, and organizations in the implementation of projects that serve to improve water quality through innovation and education throughout Fayette County. The Incentive Grant Program is funded by the Lexington-Fayette Urban County Government (LFUCG) Water Quality Management Fee (WQMF) and administered by the Division of Water Quality (DWQ). LFUCG Code of Ordinances Chapter 16, Article XIV (Ord. 73-2009) contains the enabling legislation that supports the guidance contained in this application packet.

The goal of the Incentive Grant Program is the improvement of water quality in Fayette County. To accomplish this goal, the program will provide financial assistance for projects that address stormwater concerns, improve water quality, reduce stormwater runoff, and/or educate residents on stormwater quality.

Grants are awarded through a competitive grant application process. Each grant application will be reviewed by the LFUCG Division of Water Quality (DWQ) for eligibility and merit according to the procedures set forth in the guidelines outlined in this packet. The Water Quality Fees Board shall review recommendations by the Director of DWQ and make a final determination on all grant applications. Approved projects will receive funding by means of an executed Grant Award Agreement between LFUCG and the Applicant laying out the approved project elements, eligible expenses, and terms of grant implementation.

The **Incentive Grant for Class A (Neighborhood) Projects** is targeted to neighborhood, community, and homeowner associations that wish to implement projects that meet these goals. This grant requires a match to be provided by the Applicant through cost-sharing and/or volunteer sweat-equity.

Applicants may also wish to consider other related LFUCG grants as well, including:

- **Incentive Grant for Class B Education Projects**, through the Division of Water Quality.
- **Incentive Grant for Class B Infrastructure Projects**, through the Division of Water Quality.
- **Neighborhood and Community Sustainability Grant**, through the Division of Environmental Policy.
- **Eco-ARTs Grant**, through the Division of Environmental Policy.
- **Lily Rain Barrel Program**, through the Division of Environmental Policy.

Information on these grants is available on the Grants tab at [www.lexingtonky.gov/environmentalpolicy](http://www.lexingtonky.gov/environmentalpolicy). Applicants should review this information and decide which grant(s) they wish to apply for.

Please direct all questions to the Incentive Grant Program Administrator – Christopher Dent, P.E., LFUCG Division of Water Quality by phone at 859-425-2521, by email at [cdent@lexingtonky.gov](mailto:cdent@lexingtonky.gov).

## **ELIGIBILITY REQUIREMENTS**

### **Who is eligible to apply for funding?**

All Fayette County neighborhood, community, and homeowner associations that are incorporated with the Commonwealth of Kentucky and have a roster of elected officers are eligible to apply.

An eligible organization must represent a group of residential property owners who pay the WQMF as “Class A” fee payers. Class A parcels include all single-family and duplex residential properties and all farm properties. All other parcel types are classified as “Class B” and are not eligible for this grant.

In some cases, an organization may also be a Class B fee payer (e.g. owns a clubhouse that receives its own bill, etc.). In that case, the organization may choose to apply for either the Class A or Class B grant.

### **What types of projects are eligible for funding by the Class A grant?**

Projects must fulfill at least one of the following goals:

- Install a feature that serves to improve water quality;
- Involve citizens in activities to improve water quality, reduce water pollution etc.;
- Educate citizens about water quality and stormwater related issues;
- Install a feature that serves to reduce stormwater runoff.

Innovative project ideas are encouraged. Potential project ideas include, but are not limited to:

- Storm drain marking;
- Stream cleaning;
- Planting of trees along a stream;
- Fencing off creeks in agricultural areas;
- Installation of rain barrels at neighborhood homes;
- Installation of a local rain garden;
- Neighborhood targeted seminar and/or brochures on how to reduce stormwater pollution, such as proper use of lawn chemicals, etc.
- Retention pond enhancement for water quality.

Typically, these activities are anticipated to occur within the organization's neighborhood and local area of influence, but does not preclude other collaborative opportunities. Please contact the Incentive Grant Program Administrator if you are unsure of a project's eligibility.

### **Other eligibility requirements to be aware of:**

- The project should have a lasting and/or direct public benefit.
- The project must be non-profit in nature.
- The project must be located in Fayette County.
- The Applicant must be in full compliance with all applicable provisions of the LFUCG Code of Ordinances Chapter 5 – Buildings and Building Regulations, Chapter 7 –

Finance and Taxation, Chapter 12 – Housing, and Chapter 16 – Sewage, Garbage, Refuse, and Weeds, or in compliance with Kentucky Department of Housing Buildings and Construction rules and requirements as is appropriate for those state institutions, parcels or buildings which are subject to state regulations and oversight as opposed to local ordinances and regulations prior to qualifying for grant award. Significant non-compliance prior to or after grant award may negatively impact the applicant's present or future eligibility.

- The maximum allowable grant request is **\$100,000**. Past applications have ranged from \$1,800 to \$100,000.
- Incentive Grants are not-to-exceed amounts. Amendment requests to an ongoing Incentive Grant will not be considered by the Water Quality Fees Board absent extraordinary circumstances.
- Project elements that conflict or overlap with any known ongoing or scheduled project are not eligible.
- Any project that would include movement of soil and/or land disturbance, work across or along a stream or drainage channel, alteration of existing infrastructure (public or private), installation of permanent features and/or infrastructure within the street right-of-way, or installation of any feature which requires permits or approvals from the State, LFUCG, or a private utility must include a Consulting Firm (Engineer and/or Landscape Architect) licensed with the Commonwealth of Kentucky on the project team and identified in the grant application. (Exceptions to this requirement include small residential rain gardens, stream plantings with no clearing/grubbing, and installation of residential rain barrels.)
- For the Fiscal Year 2015 Incentive Grant program, ultrasonic algae control systems for ponds will be considered eligible for grant funding if the pond has sufficient depth and surface area to allow for effective function of the device.

## **PROJECT GUIDELINES**

All proposed projects must meet the following general guidelines:

- A detailed project plan and budget for all grant approved and cost share approved expenses shall be included in Grant Award Agreement.
- Grant monies will be distributed via a reimbursement format in accordance with terms set forth in the Grant Award Agreement.
- Any expenses not fully documented may be denied for reimbursement or cost share. LFUCG will conduct periodic audits of grant expenses to help ensure grant funds are being utilized appropriately and as reported.
- The Applicant must agree to maintain any permanent features installed as part of the project unless otherwise noted in the Grant Award Agreement. Individual residential lot features such as small rain gardens or rain barrels must be maintained by the homeowner per signed agreement in order to be funded by the grant. For rain barrel projects, the Applicant will be responsible to receive and redistribute within their neighborhood any rain barrels no longer used or wanted by the home owners.

- The Applicant and its representatives are solely responsible to ensure all necessary permits, permissions, approvals, encroachment agreements, etc. are obtained prior to work starting. All grant funded projects must be completed in accordance with applicable local, state, and federal law.
  - Any project that includes movement of soil and/or land disturbance (other than small residential rain gardens and stream plantings with no clearing/grubbing) will be required to obtain a Land Disturbance Permit from LFUCG's Division of Engineering and undergo erosion and sediment control inspections administered by the Division of Water Quality.
  - Any Applicant that proposes a project that includes grading or work within a stream or drainage channel shall be required to submit an application to the Kentucky Division of Water for a "Permit to Construct Across or Along a Stream and/or Water Quality Certification" and obtain any approvals needed prior to start of any disturbance. (Note that other permits, such as a 404 Permit from the U.S. Corps of Engineers, Floodplain permits, etc. may also apply.)
  - Any Applicant that proposes a project that requires alteration of existing public infrastructure or installation of any permanent infrastructure within the street right-of-way or any utility easement (public or private) shall be required to obtain all necessary permits, approvals and/or encroachment agreements prior to start of work.
- All grant funded projects must be completed per the plan outlined in the Grant Award Agreement. DWQ must approve, in writing, proposed changes to the plan once a grant is awarded. Unapproved changes which alter the project's purpose or effect may disqualify it from receiving the grant reimbursement.
- All grant funded projects must be completed within the time frame specified in the Grant Award Agreement. The LFUCG Grant Manager or Program Administrator must approve, in writing, any extension. Typical project timelines for Class A grants are 12 to 18 months.
- The project can not include permanent changes within the street right-of-way or on properties not owned and/or controlled by the Applicant without prior express written approval of the property owner.

If your project involves work on LFUCG owned property or easement, please contact the agency affected prior to submitting your grant application form:

- Parks and Recreation, Michelle Kosieniak – [michello@lexingtonky.gov](mailto:michello@lexingtonky.gov)
- Planning (greenways, green space), Keith Lovan – [klovan@lexingtonky.gov](mailto:klovan@lexingtonky.gov)
- Environmental Policy (street trees), Tim Queary – [tqueary@lexingtonky.gov](mailto:tqueary@lexingtonky.gov)
- Engineering (right-of-way), Dan Kiser – [dkiser2@lexingtonky.gov](mailto:dkiser2@lexingtonky.gov)
- Sanitary Sewers, Rod Chervus – [rchervus@lexingtonky.gov](mailto:rchervus@lexingtonky.gov)
- Stormwater, Greg Lubeck – [glubeck@lexingtonky.gov](mailto:glubeck@lexingtonky.gov)

- Any project proposing tree planting shall follow the LFUCG Planting Manual under the advisement of LFUCG Urban Forester. ([www.lexingtonky.gov/forestry](http://www.lexingtonky.gov/forestry))

- A Project Final Report will be required for all grants.

*Other stipulations do apply. Please refer to the Sample Class A Grant Award Agreement included in this packet for more details.*

## PROJECT FUNDING

The maximum Class A Neighborhood Grant for FY2014 is \$100,000. Past applications have ranged from \$1,800 to \$100,000. The Applicant will be required to contribute at least 20% of the total project's cost (i.e. \$25,000 for maximum grant) either in cash expenditure or in-kind cost share.

### What types of expenses are eligible for grant reimbursement?

Eligible expenses must be project-specific invoiced or cash expenditures. Examples include:

- Materials and Supplies
- Rental Equipment
- Consulting Fees
- Construction Costs
- Teacher Stipends
- Permitting Fees

### What types of items are eligible to be counted as cost sharing funds?

Eligible cost sharing funds must be project-specific, and may be direct cash expenditures or in-kind costs. Possible cost sharing funds include:

- Payments for any eligible grant reimbursement expense listed above.
- Other grant sources (non-LFUCG).
- Mileage based upon the current Internal Revenue Service rate per mile.
- Donated volunteer hours, valued at the current Federal Minimum Wage Rate (currently \$7.25/hour). Note: See table below for "grant management" rates.
- Donated professional service hours, valued at the Median Hourly Wage for the expertise provided – from the U.S. Department of Labor, Bureau of Labor Statistics, State Occupational Employment and Wage Estimates for Kentucky (current website: [http://www.bls.gov/oes/current/oes\\_ky.htm](http://www.bls.gov/oes/current/oes_ky.htm) .)

***Common donated professional service hourly rates***

Occupation Code 19-0000 KY	Rain Garden Specialist (Soil and Plant Scientists)	\$21.62
Occupation Code 15-1134 KY	Web Developers	\$21.92
Occupation Code 27-1024 KY	Graphic Designer	\$17.93
Occupation Code 11-1021 KY	Project Manager (only eligible on large projects with significant stakeholder involvement requiring project management level skill set)	\$36.74
Occupation Code 43-0000 KY	Grant Manager (Office and Administrative Support Occupations)	\$13.75

**What types of expenses are not eligible (for either grant reimbursement and/or cost share)?**

- Costs associated with work paid for prior to grant award.
- Costs associated with work already required of the Applicant to meet federal, state, or local requirements (e.g. new development, addressing compliance actions, etc.).
- Land acquisition costs.

Other restrictions may apply. If you have a question about eligibility of expenses, please contact the Incentive Grant Program Administrator. All expenses will be mutually agreed upon and detailed in the project budget in the Grant Award Agreement prior to start of the project.

**Reporting Requirements**

Grant award disbursements will be distributed after receipt of supporting documentation. LFUCG will provide the forms and report formats.

**1. Quarterly Reporting:** At a minimum, quarterly reporting will be required and include:

- a. A Grant Reimbursement Form for costs incurred during the prior period or to be incurred within 30 days.
- b. A project status report documenting:
  - Work completed during the prior reimbursement period, including hardcopy or electronic copies of all materials developed and/or used (e.g. presentations, curriculum, photos, event descriptions, etc.)
  - Full accounting of grant reimbursement costs incurred during the prior period, including:
    - For cash expenditures, this shall include invoices, purchase orders, or receipts showing vendor, date, amount, and items purchased or ordered
    - For mileage, this shall include a mileage log with driver name, type of vehicle, location to and from, date, and # of miles driven per trip.
  - Documentation of all cost share-related items:
    - For cash expenditures, this shall include receipts, showing vendor paid, date, amount, and items purchased;
    - For volunteer hours, this shall include sign-in sheets describing the event with signatures, name, address, time in, time out, for each participant. Hours worked by participants under the age of 12 would generally not be counted toward the cost share.
    - For donated professional hours, this shall include a Donated Professional Hours Form signed by the participant.
    - For mileage, this shall include a mileage log with driver name, type of vehicle, location to and from, date, and # of miles driven per trip.

**2. Project Final Report:** Within 30 days of the completion of all project elements and invoicing, a Project Final Report will be required to be submitted summarizing all project

elements completed, accounting, etc. A retainer of 3% of the grant monies will be held for reimbursement until receipt and acceptance of the Project Final Report by DWQ.

## PROJECT SELECTION AND GRANT AWARD PROCESS

This grant program is competitive. Applicants or applications not meeting the eligibility requirements will not be considered. Projects will be selected for funding through a review process administered by the LFUCG Division of Water Quality and the Water Quality Fees Board. As one part of this review, proposed projects will be evaluated using a scoring system based upon the following criteria:

### PROJECT IMPACT:

(Up to 60 points)

- 10 points – improves water quality
- 10 points – public involvement
- 10 points – public education
- 10 points – reduces stormwater runoff
- 10 points – addresses a known flooding, infrastructure, or water quality problem
- 10 points – produces a long-term, sustainable benefit

### PROJECT TEAM:

(Up to 30 points)

- 10 points – project participants are clearly identified and committed
- 10 points – project elements are well defined and feasible for the project team
- 10 points – plan is in place for future use/maintenance of the project elements

### COST EFFICIENCY:

(Up to 10 points)

- 10 points – budget project elements are specific, justified, and reasonable

More information is available on scoring at [www.lexingtonky.gov/incentives](http://www.lexingtonky.gov/incentives).

The Director of the Division of Water Quality will make recommendations for funding to the Water Quality Fees Board. The Board will review the grant applications, supporting information including project scores, and the Director's recommendations, and authorize applications for funding consistent with the program's eligibility criteria. Successful applicants must sign a Grant Award Agreement which is then submitted to LFUCG Urban County Council for award.

For Fiscal Year 2015 (July 1, 2014 – June 30, 2015) the expected available budget for Class A Neighborhood Grants is **\$200,000**. The maximum grant award is **\$100,000**, not including the Applicant's cost share. Partial funding of a worthy project may be offered.

If selected for a grant, the Applicant will be notified. A Grant Award Agreement laying out the terms of grant implementation will be drafted with mutual input from LFUCG and the Applicant and approved by both parties prior to official award of the grant by the Urban County Council.

## APPLICATION FORM

The Application Form is a separate document (#INC.2015A.2) available for download through the Division of Water Quality (859-425-2521) and on the LFUCG website at [www.lexingtonky.gov/incentives](http://www.lexingtonky.gov/incentives) in Adobe or Word fill-in format.

## APPLICATION PROCESS

To apply for a Fiscal Year 2015 grant, complete the ***Application Form for Class A (Neighborhood) Projects (#INC.2015A.2)*** and answer all listed questions.

**For Fiscal Year 2015, the deadline for submission of grant applications is Friday May 30, 2014.** Applications postmarked after the deadline will not be considered. Applications may also be hand-delivered to the address given below by 5:00 p.m.

Use of the Word fill-in format Application Form is highly recommended, though not required. If the Adobe version is used, the applicant should answer each question in the same order as the Application Form. Please be sure to read the Application Form carefully and fill it out with as much detail about your proposed project as possible. The Applicant must provide a proposed schedule. An example schedule table is provided in Figure 1. The Applicant must also provide a budget proposal. An example budget table is provided in Figure 2 and is available in Excel format for download at [www.lexingtonky.gov/incentives](http://www.lexingtonky.gov/incentives). Supplemental information can be attached to the application.

The application must be hand signed by the President and a second presiding officer of the applying organization. Names for a Primary Project Contact and Secondary Project Contact are required. Email will be the predominant means of communication, so working email addresses for both contacts is strongly encouraged.

Submit six (6) **hard copies** of the application form with attachments by **5:00 p.m. Friday, May 30, 2014** to:

**Christopher Dent, P.E.  
LFUCG Division of Water Quality  
125 Lisle Industrial Avenue, Suite 180  
Lexington, KY 40511**

A digital copy of the application form with attachments can be sent to [cdent@lexingtonky.gov](mailto:cdent@lexingtonky.gov) in addition to the hard copies, but is not required.

Verification of receipt of the application will be provided via email within two (2) weeks. If you do not receive verification, please call the Incentive Grant Program Administrator at 859-425-2521. If an application is found to be incomplete, the Applicant will be notified in writing and given an opportunity to provide the required information. If the information is not provided within the time frame requested, the application may be removed from consideration.

## EXAMPLE FIGURES

**FIGURE 1. (EXAMPLE SCHEDULE TABLE)**

<b>Activity</b>	<b>Schedule</b>
Approval Grant Award Agreement and Notice to Proceed (NTP)	NTP (anticipated January 2015)
Neighborhood Association meetings to plan project	Within 1 month of NTP, and monthly
Advertise for stream cleaning event and coordinate volunteers	2 months prior to event
Purchase trees, shrubs, mulch	1 week prior to event
Hold Stream Cleaning/Planting Event	March - April 2015
Advertise for Educational seminar	April 2015
Hold Educational Seminar	May 2015
Provide Project Final Report to LFUCG	30 days after project completion



**FIGURE 2. (EXAMPLE BUDGET TABLE)**

*Note: This table is available in Excel format for download at [www.lexingtonky.gov/incentives](http://www.lexingtonky.gov/incentives).*

Type of Expense	Participants	Item	Unit Price		Quantity	Funded by Organization	Funded by Grant	Total Expense
Project Element: Grant Management								
Donated Professional Service Hours	Grant Manager	Grant Management	\$ 13.75	per hour	20	\$ 275.00	\$ -	\$ 275.00
Project Element: Stream Cleaning and Tree Planting								
Volunteer Hours	HNA board	Volunteer Hours for organizing and advertising event	\$ 7.25	per hour	15	\$ 108.75	\$ -	\$ 108.75
Volunteer Hours	HNA board	Volunteer Hours for organizing and advertising event	\$ 7.25	per hour	15	\$ 108.75	\$ -	\$ 108.75
Supplies	HNA board	Advertising for event: 150 single page flyers - black & white	\$ 0.10	per flyer	150	\$ -	\$ 15.00	\$ 15.00
Supplies	HNA board	Work Gloves	\$ 6.00	per pair	20	\$ -	\$ 120.00	\$ 120.00
Supplies	HNA board	Trash Bags	\$ 5.00	per each box	5	\$ -	\$ 25.00	\$ 25.00
Rental Equipment	ABC Rentals	Chainsaw rental	\$ 50.00	per day	1	\$ -	\$ 50.00	\$ 50.00
Materials	Plant Nursery	10 (species) trees	\$ 70.00	per tree	10	\$ -	\$ 700.00	\$ 700.00
Materials	Plant Nursery	10 (species) shrub 10 (species) shrub 10 (species) shrub	\$ 35.00	per shrub	30	\$ -	\$ 1,050.00	\$ 1,050.00
Materials	Plant Nursery	100 bags (type) mulch	\$ 4.00	per bag	100	\$ -	\$ 400.00	\$ 400.00
Volunteer Hours	HNA Volunteers	Volunteer Hours for stream cleaning event (assume 20 people for 5 hours each)	\$ 7.25	per hour	100	\$ 725.00	\$ -	\$ 725.00
Mileage	HNA Volunteers	Mileage to haul trash to waste facility	\$ 0.56	per mile	25	\$ -	\$ 14.00	\$ 14.00
Project Element: Educational Seminar								
Volunteer Hours	HNA board	Volunteer Hours for organizing and advertising event	\$ 7.25	per hour	20	\$ 145.00	\$ -	\$ 145.00
Supplies	HNA board	Advertising for event: 150 single page flyers - black & white	\$ 0.10	per flyer	150	\$ -	\$ 15.00	\$ 15.00
Consulting Fees	XYZ Specialist	Honorarium for 1 hour presentation	\$ 50.00	per each	1	\$ -	\$ 50.00	\$ 50.00
Volunteer Hours	HNA Volunteers	Volunteer Hours for participation in seminar (assume 25 people for 2 hours)	\$ 7.25	per hour	50	\$ 362.50	\$ -	\$ 362.50
			TOTAL PROJECT BUDGET:			\$ 1,725.00	\$ 2,439.00	\$ 4,164.00
COST SHARE % = 41.43% OK MUST BE > 20%						ORGANIZATION SHARE 41.4%	GRANT SHARE 58.6%	

\* Note: Organization share must be 20% of total project costs.

**-- END OF APPLICATION PACKET FOR CLASS A (NEIGHBORHOOD) PROJECTS --**